Hunt Said to Get $72,000 After a Threat to 'Tell All'

By SEYMOUR M. HERSH 6/22/73

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WASHINGTON, June 21—E. Howard Hunt Jr. received a final cash payment of $72,000 in mid-March after he had warned John D. Ehrlichman that he was ready to "tell all" about the White House operations against Dr. Daniel Ellsberg in 1971, sources close to the Watergate case said today.

The warning, the sources said, was included in a letter that Hunt sent to John W. Dean 3d, the former White House counsel, for relay to Mr. Ehrlichman, then President Nixon's domestic affairs adviser.

"He said 'Pass this along to Ehrlichman,'" according to a person who has seen the message. This source added that Hunt, who was given a provisional 35-year jail term on March 23 for his role in the Watergate break-in in June, 1972, demanded a payment of $72,000 for himself and $50,000 for attorney fees.

A few days before the letter was sent, another source said, Hunt told a former White House official that he was planning to write a book abut Watergate unless he got more money. The Washington Post reported last week that the former Central Intelligence Agency official had received more than $200,000 at the time of his renewed request.

Hunt, along with G. Gordon Liddy, the leader of the Watergate break-in team has been linked to the attempted burglary of the Los Angeles office of Dr. Ellsberg's psychiatrist in September, 1971. At the time, the two men were members of a special investigations unit that was set up under Mr. Ehrlichman inside the White House after the publication of the Pentagon papers in June, 1971.

On Sunday, The New York Times reported that Mr. Dean was prepared to tell the Senate Watergate committee in his televised testimony that he was told that President Nixon had authorized the break-in of the office of Dr. Ellsberg's psychiatrist.

Mr. Dean referred indirectly to the Hunt letter in his private testimony before the Senate Watergate committee last Saturday. Excerpts from that testimony were published in The

Continued on Page 14, Column 2

$72,000 Payment to Hunt Is Reported

Continued From Page 1, Col. 8

New York Times today.

According to the summary, which was signed by Samuel Dash, chief counsel for the committee, Mr. Dean told of receiving the Hunt message containing the money demand. "Dean told Ehrlichman," the summary continued, "and Ehrlichman told Dean to call [former Attorney General John N.] Mitchell."

Package Delivered

The summary then quoted Mr. Dean as saying that on March 21 or March 22 of this year, "Ehrlichman asked Mitchell if Hunt's problem had been taken care of, and Mitchell said 'Yes.'"

A number of sources confirmed today that on either March 20 or March 21—days on which key White House advisers were discussing Watergate with President Nixon—a package containing $72,000 was delivered by Frederick C. La Rue to the office of William O. Bittman, Hunt's attorney.

Mr. LaRue has been identified as the recipient of more than $400,000 in cash that was ultimately used to help to finance the elaborate cover-up that began with cash payments in late summer of last year.

Both Mr. Dean and Mr. Ehrlichman have been repeatedly linked to payments reportedly made to the seven Watergate defendants in return for their silence.

The General Accounting Office reported last month that at least $210,000 was raised last year by Herbert W. Kalmbach, President Nixon's former personel attorney and a leading campaign fund-raiser. Investigators have determined that other cash was taken from a secret $350,000 campaign fund that was set up in April, 1972, in the office of H. R. Haldeman, the former White House chief of staff.

Special Bank Account

In August, 1972, Mr. LaRue reportedly received $70,000 in cash taken from the safe of Maurice H. Stans, the chairman of the Republican finance committee, for payoff purposes. In November, according to the published grand jury testimony of Gordon C. Strachan, then an aide to Mr. Haldeman, the entire $350,000 cash fund was taken to Mr. LaRue's apartment.

Sources close to Mr. LaRue, who is now believed to be cooperating with Federal prosecutors in the case, said that he had since placed the unused cover-up funds—totaling more than $112,000 — in a special bank account. He also returned some cash to representatives of Mr. Stans, who served as the chief Republican fund-raiser in the campaign, sources said.

Mr. LaRue will keep the cash in the bank, a friend said today, "until he finds somebody to take it back."

Some sources said today that they were puzzled by the discrepancy between the $122,000 sought by Hunt in his message to Mr. Dean and the $72,000 that was eventually provided him.

"They wouldn't dare bargain with a guy who's going to plow them out of the water," one lawyer close to the case said. The lawyer suggested that some of the cash had been "skimmed" by the participants in the payoff scheme.

According to the official White House version of the meetings between the President and Mr. Dean which was provided to the Senate this week and also published today in The New York Times, Mr. Nixon was told of the Hunt demand on March 21.

The summary quoted Mr. Dean as stating to the President that "Hunt was trying to blackmail Ehrlichman about Hunt's prior plumber [the informal name for the 1971 investigations unit] activities unless he was paid what ultimately might amount to $1-million."

The summary continued:

"The President said how could it possibly be paid. 'What makes you think he would be satisfied with that? [He] stated it was blackmail, that it was wrong, that it would not work, that the truth would come out anyway.'"

One Justice Department official characterized Mr. Nixon's discussions with Mr. Dean—as described in the White House summary—as "very damaging" to the President.

"The moment he heard about this," the official said, "the President should have had Hunt arrested for blackmail."

In a memorandum submitted to the Senate Watergate committee early last month, James W. McCord Jr., another member of the Watergate team, told of a Hunt threat to a Republican lawyer in late 1972 in which he said that he could "blow the White House out of the Water." McCord also quoted Hunt as saying at another point that he had information that could impeach the President.